GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1345
ANSWERED ON:08.03.2002
FINANCIAL ASSISTANCE FOR DEVELOPMENT OF BACKWARD DISTRICTS
RAMDAS RUPALA GAVIT

Will the Minister of FINANCE be pleased to state:

(a) whether any proposal to provide special financial assistance for the development of backward districts of the country is under consideration of the Government;

(b) if so, the details, thereof; and

(c) the necessary steps being taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI BALASAHEB VIKHE PATIL)

(a) to (c): Planning and Development of an area within a Stateand allocation of funds for this purpose are primarily the responsibility of the concerned State Governments. The Central Government supplements the efforts of the State Governments inits development, through releases under the award of the Finance Commissions, releases of Central Assistance for State Plan andthrough assistance under various Central Sector and Centrally Sponsored Schemes.

The backwardness of the State is taken into consideration by the Finance Commission while determining their award. The allocation of assistance for State Plans is based on the Gadgil-Mookerjeeformula wherein eighty percent weightage is given to population and per capita income below the national average. Besides, the Central Government announced a new scheme during 2002-03 called the Jai Prakash Rozgar Guarantee Yojana (JPRGY) to provideemployment guarantee to the unemployed in the most distressed districts of the country. The State Government can avail ofassistance available under various Programmes aimed at poverty alleviation, infrastructure development and social security to improve the quality of life in the Backward Districts within the State.